

2007-383

**John O. Hicks, III**

**Attorney at Law**  
270 Main Street, Suite 5  
P. O. Box 64  
Calhoun, Kentucky 42327

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(270) 273-5749

August 23, 2007

**RECEIVED**

**AUG 27 2007**

**PUBLIC SERVICE  
COMMISSION**

Ms. Beth O'Donnell  
Public Service Commission  
211 Sower Blvd.  
P. O. Box 615  
Frankfort, KY 40602-0615

RE: Revision in non-recurring charges  
North McLean County Water District

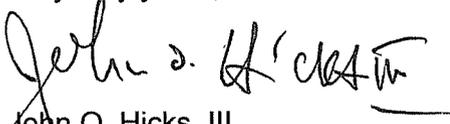
Dear Ms. O'Donnell:

Enclosed please find Application to revise non-recurring charges for North McLean County Water District, along with non-recurring charge cost justifications, proposed new tariff, copy of Public Notice, and newspaper ad published in the *McLean County News* on July 19, 2007, being the first notice so published.

The second and third newspaper ads will be filed with your office subsequently, along with newspaper affidavit verifying that the Public Notice was published for three consecutive weeks.

Thank you for your consideration of this Application. Should further information be needed, please be sure to let me know.

Very truly yours,

  
John O. Hicks, III

JOH/ac

Enclosures

cc: Nathel Jennings, Chairman

# North McLean County Water District

217 HILL ST ♦ LIVERMORE, KENTUCKY 42352

270-278-2800

**RECEIVED**

August 23, 2007

AUG 27 2007

**PUBLIC SERVICE  
COMMISSION**

Executive Director  
KY Public Service Commission  
PO Box 615  
Frankfort, KY 40602

**RE: Application to Revise Non-Recurring Charges**

This is an application to revise language and certain non-recurring charges for the North McLean County Water District. Attached is the non-recurring charge cost justifications and the proposed new tariff.

North McLean County Water District is not requesting a water rate increase at this time. However, increased costs attributable to certain non-recurring charges can no longer be absorbed by the District. The customers affected by these increases will be the customers that cause the District to incur these additional expenses.

The District has previously filed income statements and balance sheets with the Public Service Commission. These income statements and balance sheets are currently on file with the Commission.

The District will publish the enclosed public notice of these requested rate revisions in the local newspaper for three consecutive weeks. The first notice has already been published and the newspaper ad is enclosed. We will follow up with a filing of the second and third newspaper ads along with an affidavit from the newspaper verifying that the notice was published for three consecutive weeks.

A copy of this application and related filings has been sent to the Office of the Attorney General, State Capitol Building, Suite 118, Frankfort, KY 40601.

Very truly yours,



Nathel Jennings, Chairman  
enclosure

**AVERAGE METER CONNECTION EXPENSE  
COST JUSTIFICATION**

**NAME OF UTILITY: NORTH MCLEAN COUNTY WATER DISTRICT**

**The following is an itemization of expenses for providing a metered service connection.**

**A. Meter Size**

<b><u>5/8 X 3/4 Inch</u></b>	1 Inch	1 1/2 Inch	2 Inch
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**B. Materials Expense**

	Quantity	Unit Cost	Total Cost
1 Water Meter	1	42.72	42.72
2 Meter Yoke	1	96.74	96.74
3 Corporation	1	19.13	19.13
4 Meter Box & Top	1	64.32	64.32
5 Misc fitting & saddle	1	98.10	98.10
6 Other (Itemize)			
a.			
b.			
c.			
d.			
e.			
f.			
<b>TOTAL MATERIAL EXPENSE</b>		<b>321.01</b>	<b>321.01</b>

**C. SERVICE PIPE EXPENSE**

Type of Service Pipe:	Quantity	Size of Service Pipe:	Unit Cost	Total Cost
1 Short Side Service	6'		0.23	1.38
2 Long Side Service	40'		0.23	9.20
40' Casing for Long Side			0.46	18.40
<b>AVERAGE SERVICE PIPE EXPENSE</b>				<b>28.98</b>
(add total cost and divided by 2)				<b>14.49</b>

**D Installation Labor Expense**

	Total Hours 2 Men	Hourly Rate	Total Cost
1 Short Side Service	2	20.00	80.00
2 Long Side Service	6	20.00	240.00
<b>AVERAGE INSTALLATION LABOR EXPENSE</b>			<b>320.00</b>
(add total cost and divide by 2)			<b>160.00</b>

**E. Installation Equipment Expense  
(backhoe)**

	Total Hours	Hourly Rate	Total Cost
1 Short Side Service	1	40.00	40.00
2 Long Side Service	4	40.00	160.00
<b>AVERAGE INSTALLATION EQUIPMENT EXPENSE</b>			<b>200.00</b>
(add total cost and divide by 2)			<b>100.00</b>

**F. Installation Miscellaneous Expense**

	Total Hours 2 Men	Hourly Rate	Total Cost
1 Inspection			
2 Site Clean Up	1	20.00	40.00
3 Other Seed, Straw & Fertilizer			

**AVERAGE INSTALLATION MISCELLATION EXPENSE**  
(add total cost) **40.00**

**G. Overhead Expense**

1 Installation expense (\$ )times  
overhead rate( %)

**H. Administrative Expense**

1 Office expense for establishing a new account  
and billing record. **25.00**

**I. Total Expenses**

Material Expense	321.01
Service Pipe Expense	14.49
Installation Labor Expense	160.00
Installation Equipment Expense	100.00
Installation Miscellaneous Expense	40.00
Overhead Expense	
Administrative Expense	25.00

**TOTAL CONNECTION EXPENSE 660.50**

**AVERAGE METER CONNECTION EXPENSE  
COST JUSTIFICATION**

**NAME OF UTILITY: NORTH MCLEAN COUNTY WATER DISTRICT**

**The following is an itemization of expenses for providing a metered service connection.**

**A. Meter Size**

5/8 X 3/4 Inch                      **1 Inch**                      1 1/2 Inch                      2 Inch

**B. Materials Expense**

	Quantity	Unit Cost	Total Cost
1 Water Meter	1	108.89	108.89
2 Meter Yoke	1	176.67	176.67
3 Corporation	1	13.89	13.89
4 Meter Box & Top	1	80.00	80.00
5 Miscellaneous Fittings	1	18.89	18.89
6 Other (Itemize)			
a.			
b.			
c.			
d.			
e.			
f.			
<b>TOTAL MATERIAL EXPENSE</b>		<b>398.34</b>	<b>398.34</b>

**C. SERVICE PIPE EXPENSE**

Type of Service Pipe:	Quantity	Size of Service Pipe:	Unit Cost	Total Cost
1 Short Side Service	6'		0.40	2.40
2 Long Side Service	40'		0.44	16.00
40' Casing for Long Side			0.80	32.00
<b>AVERAGE SERVICE PIPE EXPENSE</b>				50.40
(add total cost and divided by 2)				<b>25.20</b>

**D Installation Labor Expense**

	Total Hours 2 Men	Hourly Rate	Total Cost
1 Short Side Service	2	20.00	80.00
2 Long Side Service	8	20.00	320.00
<b>AVERAGE INSTALLATION LABOR EXPENSE</b>			400.00
(add total cost and divide by 2)			<b>200.00</b>

**E. Installation Equipment Expense  
(backhoe)**

	Total Hours	Hourly Rate	Total Cost
1 Short Side Service	1	40.00	40.00
2 Long Side Service	4	40.00	160.00
<b>AVERAGE INSTALLATION EQUIPMENT EXPENSE</b>			200.00
(add total cost and divide by 2)			<b>100.00</b>

**F. Installation Miscellaneous Expense**

	Total Hours 2 Men	Hourly Rate	Total Cost
1 Inspection			
2 Site Clean Up	1	20.00	40.00
3 Other Seed, Straw & Fertilizer	1	20.00	40.00

**AVERAGE INSTALLATION MISCELLATION EXPENSE**  
(add total cost) **80.00**

**G. Overhead Expense**

1 Installation expense (\$ )times  
overhead rate( %)

**H. Administrative Expense**

1 Office expense for establishing a new account  
and billing record. **25.00**

**I. Total Expenses**

Material Expense	398.34
Service Pipe Expense	25.20
Installation Labor Expense	200.00
Installation Equipment Expense	100.00
Installation Miscellaneous Expense	80.00
Overhead Expense	
Administrative Expense	25.00

**TOTAL CONNECTION EXPENSE 828.54**

**AVERAGE METER CONNECTION EXPENSE  
COST JUSTIFICATION**

**NAME OF UTILITY: NORTH MCLEAN COUNTY WATER DISTRICT**

**The following is an itemization of expenses for providing a metered service connection.**

**A. Meter Size**

5/8 X 3/4 Inch	1 Inch	<u><b>1 1/2 Inch</b></u>	2 Inch
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**B. Materials Expense**

	Quantity	Unit Cost	Total Cost
1 Water Meter	1	305.56	305.56
2 Meter Yoke	1	722.22	722.22
3 Corporation	1	45.11	45.11
4 Meter Box & Top	1	141.11	141.11
5 Misc fitting & saddle	1	305.02	305.02
6 Other (Itemize)			
a.			
b.			
c.			
d.			
e.			
f.			
<b>TOTAL MATERIAL EXPENSE</b>		<b>1519.02</b>	<b>1519.02</b>

**C. SERVICE PIPE EXPENSE**

Type of Service Pipe:	Quantity	Size of Service Pipe:	Unit Cost	Total Cost
1 Short Side Service	6'		1.17	7.02
2 Long Side Service	40'		1.17	46.80
40' Casing for Long Side			0.80	32.00
<b>AVERAGE SERVICE PIPE EXPENSE</b>				<b>85.82</b>
(add total cost and divided by 2)				<b>42.91</b>

**D Installation Labor Expense**

	Total Hours 2 Men	Hourly Rate	Total Cost
1 Short Side Service	2	20.00	80.00
2 Long Side Service	8	20.00	320.00
<b>AVERAGE INSTALLATION LABOR EXPENSE</b>			<b>400.00</b>
(add total cost and divide by 2)			<b>200.00</b>

**E. Installation Equipment Expense  
(backhoe)**

	Total Hours	Hourly Rate	Total Cost
1 Short Side Service	1	40.00	40.00
2 Long Side Service	4	40.00	160.00
<b>AVERAGE INSTALLATION EQUIPMENT EXPENSE</b>			<b>200.00</b>
(add total cost and divide by 2)			<b>100.00</b>

**F. Installation Miscellaneous Expense**

	Total Hours 2 Men	Hourly Rate	Total Cost
1 Inspection			
2 Site Clean Up	1	20.00	40.00
3 Other Seed, Straw & Fertilizer	1	20.00	40.00

**AVERAGE INSTALLATION MISCELLATION EXPENSE**  
(add total cost) **80.00**

**G. Overhead Expense**

1 Installation expense (\$ )times  
overhead rate( %)

**H. Administrative Expense**

1 Office expense for establishing a new account  
and billing record. **25.00**

**I. Total Expenses**

Material Expense	1519.02
Service Pipe Expense	42.91
Installation Labor Expense	200.00
Installation Equipment Expense	100.00
Installation Miscellaneous Expense	80.00
Overhead Expense	
Administrative Expense	25.00

**TOTAL CONNECTION EXPENSE 1966.93**

**AVERAGE METER CONNECTION EXPENSE  
COST JUSTIFICATION**

**NAME OF UTILITY: NORTH MCLEAN COUNTY WATER DISTRICT**

**The following is an itemization of expenses for providing a metered service connection.**

**A. Meter Size**

5/8 X 3/4 Inch	1 Inch	1 1/2 Inch	<b><u>2 Inch</u></b>
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**B. Materials Expense**

	Quantity	Unit Cost	Total Cost
1 Water Meter	1	416.67	416.67
2 Meter Yoke	1	638.89	638.89
3 Corporation	1	46.27	46.27
4 Meter Box & Top	1	246.67	246.67
5 Misc fitting & saddle	1	275.34	275.34
6 Other (Itemize)			
a.			
b.			
c.			
d.			
e.			
f.			
<b>TOTAL MATERIAL EXPENSE</b>		<b>1623.84</b>	<b>1623.84</b>

**C. SERVICE PIPE EXPENSE**

Type of Service Pipe:	Quantity	Size of Service Pipe:	Unit Cost	Total Cost
1 Short Side Service	6'		1.76	10.56
2 Long Side Service	40'		1.76	70.40
40' Casing for Long Side			1.10	44.00
<b>AVERAGE SERVICE PIPE EXPENSE</b>				124.96
(add total cost and divided by 2)				<b>62.48</b>

**D Installation Labor Expense**

	Total Hours 2 Men	Hourly Rate	Total Cost
1 Short Side Service	2	20.00	80.00
2 Long Side Service	8	20.00	320.00
<b>AVERAGE INSTALLATION LABOR EXPENSE</b>			400.00
(add total cost and divide by 2)			<b>200.00</b>

**E. Installation Equipment Expense  
(backhoe)**

	Total Hours	Hourly Rate	Total Cost
1 Short Side Service	1	40.00	40.00
2 Long Side Service	4	40.00	160.00
<b>AVERAGE INSTALLATION EQUIPMENT EXPENSE</b>			200.00
(add total cost and divide by 2)			<b>100.00</b>

**F. Installation Miscellaneous Expense**

	Total Hours 2 Men	Hourly Rate	Total Cost
1 Inspection			
2 Site Clean Up	1	20.00	40.00
3 Other Seed, Straw & Fertilizer	1	20.00	40.00

**AVERAGE INSTALLATION MISCELLATION EXPENSE**  
(add total cost) **80.00**

**G. Overhead Expense**

1 Installation expense (\$ )times  
overhead rate( %)

**H. Administrative Expense**

1 Office expense for establishing a new account  
and billing record. **25.00**

**I. Total Expenses**

Material Expense	1623.84
Service Pipe Expense	62.48
Installation Labor Expense	200.00
Installation Equipment Expense	100.00
Installation Miscellaneous Expense	80.00
Overhead Expense	
Administrative Expense	25.00

**TOTAL CONNECTION EXPENSE 2091.32**

FOR McLean County, Kentucky  
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 1

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

NORTH MCLEAN COUNTY WATER DISTRICT  
(Name of Utility)

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RATES AND CHARGES

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Meter Connection/Tap-On Fees:

5/8 Inch x 3/4 Inch Meter	\$ 660.50
1 Inch Meter	\$ 828.54
1-1/2 Inch Meter	\$1,966.93
2 Inch Meter	\$2,091.32

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DATE OF ISSUE August 20, 2007  
Month / Date / Year

DATE EFFECTIVE September 1, 2007

ISSUED BY   
Month / Date / Year  
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

## NOTICE

North McLean County Water District proposes to make the following revisions to its schedule of charges. The proposed effective date for the change is 09-01-2007.

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
<b>Meter Connection/Tap-On Fees</b>			
5/8 x 3/4 inch meter	\$350.00	\$660.50	88.7
1 inch meter	\$500.00	\$828.54	65.7
1 1/2 inch meter	\$500.00	\$1,966.93	293.4
2 inch meter	\$500.00	\$2,091.32	318.3

The charges/rates contained in this notice are the charges/rates proposed by the North McLean County Water District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates in this notice.

Any corporation, association, body politic, or person may, by motion within thirty (30) days after publication of this fee change, request leave to intervene; and the motion shall be submitted to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and related filings by contacting the water district.

The Water District has available for inspection at its office the proposed changes to its Rules and Regulations. The office is located at 217 Hill St., Livermore, KY 42352.

This notice is published pursuant to 807 KAR 5:011-Tariffs.

North McLean County Water District

NOTICE

North McLean County Water District proposes to make the following revisions to its schedule of charges. The proposed effective date for the change is 09-01-2007.

	Current	Proposed	% Change
<b>Meter Connection/Tap-On Fees</b>			
5/8 x 3/4 inch meter	\$350.00	\$660.50	88.7
1 inch meter	\$500.00	\$828.54	65.7
1 1/2 inch meter	\$500.00	\$1,966.93	293.4
2 inch meter	\$500.00	\$2,091.32	318.3

The charges/rates contained in this notice are the charges/rates proposed by the North McLean County Water District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates in this notice.

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Intervenors may obtain copies of the application and related filings by contacting the water district.

The Water District has available for inspection at its office the proposed changes to its Rules and Regulations. The office is located at 217 Hill St., Livermore, KY 42352.

This notice is published pursuant to 807 KAR 5:011-Tariffs.

North McLean County Water District.

7-19-07

**John O. Hicks, III**  
**Attorney at Law**  
270 Main Street, Suite 5  
P. O. Box 64  
Calhoun, Kentucky 42327

copy

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(270) 273-5749

August 23, 2007

Public Service Litigation Branch  
Office of Attorney General  
P. O. Box 2000  
Frankfort, KY 40602-2000

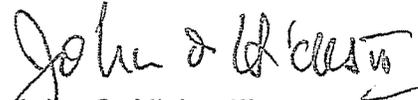
RE: Revision in non-recurring charges  
North McLean County Water District

Gentlemen:

Enclosed please find copy of Application to revise non-recurring charges, copy of cost justifications, copy of proposed new tariff, copy of Public Notice, and copy of newspaper ad published in the *McLean County News* on July 19, 2007, being the first notice so published.

Thank you for your consideration of this Application. Should further information be needed, please be sure to let us know.

Very truly yours,

  
John O. Hicks, III

JOH/ac

Enclosures

cc: Nathel Jennings, Chairman

COPY

# North McLean County Water District

217 HILL ST ♦ LIVERMORE, KENTUCKY 42352

270-278-2800

August 23, 2007

Public Service Litigation Branch  
Office of Attorney General  
P.O. Box 2000  
Frankfort, KY 40602-2000

**RE: Formal Application for Tariff Revisions**

This filing shall serve notice that North McLean County Water District has filed an application with the Public Service Commission to revise its tariff language and to adjust certain non-recurring charges.

North McLean County Water District is not requesting a water rate increase at this time. However, increased costs attributable to certain non-recurring charges can no longer be absorbed by the District. The customers affected by these increases will be the customers that cause the District to incur these additional expenses.

The District will publish a public notice of these requested rate revisions in the local newspaper for three consecutive weeks. You will find a copy of this publication notice enclosed.

Very truly yours,



Nathel Jennings, Chairman  
enclosure

copy

**John O. Hicks, III**

**Attorney at Law**  
270 Main Street, Suite 5  
P. O. Box 64  
Calhoun, Kentucky 42327

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(270) 273-5749

August 23, 2007

Office of the Attorney General  
State Capitol Building, Suite 118  
Frankfort, KY 40601

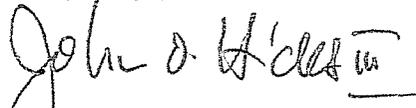
RE: Revision in non-recurring charges  
North McLean County Water District

Gentlemen:

Enclosed please find copy of Application to revise non-recurring charges, copy of cost justifications, copy of proposed new tariff, copy of Public Notice, and copy of newspaper ad published in the *McLean County News* on July 19, 2007, being the first notice so published.

Thank you for your consideration of this Application. Should further information be needed, please be sure to let us know.

Very truly yours,

  
John O. Hicks, III

JOH/ac

Enclosures

cc: Nathel Jennings, Chairman